

of paragraph 1 preceding shall exceed the amount of payments actually made by the Mortgagee for ground rents, taxes, assessments or insurance premiums, as the case may be, such excess shall be credited by the Mortgagee on subsequent payments to be made by the Mortgagor. If; however, the monthly payments made by the Mortgagor under (b) of paragraph 1 preceding shall not be sufficient to pay ground rents, taxes, assessment or insurance premiums when the same shall become due and payable, then the Mortgagor shall pay to the Mortgagee any amount necessary to make up the deficiency on or before the date when payment of such ground rents, taxes, assessments or insurance premiums shall be due. If at any time the Mortgagor shall tender to the Mortgagee, in accordance with the provisions of the mortgage debt secured hereby, full payment of the entire indebtedness, the Mortgagee shall, in computing the amount of such indebtedness, credit to the account of the Mortgagor all payments made under the provisions of (a) of paragraph 1 which the Mortgagee has not become obligated to pay to the Federal Housing Administrator, and any balance remaining in the funds accumulated under the provisions of (b) of paragraph 1 hereof. If there shall be a default under any of the provisions of this mortgage resulting in a public sale of the premises covered hereby, or if the Mortgagee acquires the property otherwise after default, the Mortgagee shall apply, at the time of the commencement of such proceedings, or at the time the property is otherwise acquired, the balance then remaining in the funds accumulated under (b) of paragraph 1 preceding, as a credit against the amount of principal then remaining unpaid under the mortgage debt, and shall properly adjust any payments which shall have been made under (a) of paragraph 1.

3, That he will pay all taxes, assessments, water rents and other governmental or municipal charges, fines, or impositions, and ground rents, for which provision has not been made hereinbefore, and will promptly deliver the official receipts therefor to the Mortgagee; and in default of such payment by the Mortgagor, the Mortgagee may pay the same, and any sum or sums so paid by the Mortgagee shall be added to the mortgage debt hereby secured, shall be payable on demand, shall bear interest at the rate of four and one-half per centum (4½%) per annum and shall be secured by this mortgage.